

Dealers on '84: The market can't get much worse

By Roger Boye

In early 1983, several Chicago dealers predicted that the rare-coin market soon would climb out of its multi-month slump.

They knew that gold and silver prices had advanced smartly from their 1982 lows and that the year's first major coin show had generated brisk sales. But precious-metal values declined as 1983 progressed, as did prices for some "scarce dates."

The on-going sour market for collectible coins has tempered dealer enthusiasm for the business in 1984. Indeed, some hobby pros rarely have been more discouraged, judging by their statements of Jan. 11 and 12:

"I'd have to say the market will get better because it can't get much worse," said Louis Golstein, owner of Lucky Lou Coins at 3111 W. Devon Ave. "We're just scraping out a living."

Business at several other coin stores, including North Shore Coins in Evanston and Archie's at 5516 W. Devon Ave., ranges from "average" to "dead." One dealer admitted he had made just two small sales during a three-day period earlier this month.

Even larger firms haven't escaped the weak market. At the Rare Coin Co. of America at 31 N. Clark St., "customer traffic" was down considerably in early January, which follows a less-than-brisk holiday sales season.

"We look for the rare-coin business to mirror the precious metals," said Jeff Bernberg, company vice president. "Until the metals get going, we won't see much [business improvement]."

Ten days ago, silver sold for about \$8 an ounce, at least \$5 an ounce below its top price in January, 1983. Gold dropped more than \$100 an ounce in the same period to about \$370 an ounce on Jan. 12.

Investor Walter Perschke predicted the "quiet market" for collectible coins will end when the price of gold exceeds \$500 an ounce, a level he believes will be reached within 90 days.

"There's buying power on the sidelines," said Perschke, president of Numisco Inc. at 1423 W. Fullerton Ave. "When the [coin] market does move, it should move quickly."

One coin company that's bucked the trend already is Jake's Marketplace Inc., 2955 N. Central Ave. President Robert H. Jacobs said his holiday business was substantially better than in either of the last two years and that he's now "buried with mail orders."

Ned Fishkin, manager of the coin department at Carson Pirie Scott & Co. in Chicago, also reported an improved holiday sales season. But more typical are dealers such as Bob Schaefer, owner of Bob's Stamps & Coins at 4250 N. Milwaukee Ave., who admitted that business is slow.